

Testimony of Roger Duncan of Austin Energy to the House Energy Committee, Science Subcommittee

May 17, 2006

Madame Chairman and Members of Congress, thank you for inviting me today to give testimony on the proposed legislation regarding plug-in hybrid vehicles. Solving the energy crises that America faces today requires new and innovative thinking and I am glad to see that this Committee has focused on what I consider to be one of the prime solutions.

You have several expert witnesses today to speak to the technical aspects of how a flexible fuel plug-in hybrid vehicle works and the state of research and development of such a vehicle. In my opinion, any obstacles in research and development will be met by the proposed legislation. I believe that the battery issues can be easily addressed and I do not think there are any major infrastructure issues to overcome – because the infrastructure is the existing electric grid.

The main obstacle I see to widespread commercial application of these vehicles is automotive industry inertia based on a perception that there is not a commercially viable market. So today I will focus on customer acceptance and the potential market for these vehicles – specifically the Plug In Partners campaign currently being conducted by the City of Austin.

We became very excited in Austin when we found out about plug in hybrid electric vehicles. These vehicles can reduce America's reliance on foreign oil, decrease greenhouse gas emissions from automobiles, and help Americans save on fuel costs.

Also, plug-in hybrid vehicles can also be built with flexible fuel engines, magnifying the national security, environmental and economic benefits while also increasing business for American agriculture.

In Austin we are particularly interested in electricity because if an Austin citizen could charge their vehicle overnight, they could drive around town the next day on the electric equivalent of 75 cents a gallon gasoline. As we

checked utility rates around the country, we realized that the equivalent cost of electricity anywhere in our nation is under a dollar a gallon. And we were also very excited in Austin when we realized that we could use our Green Choice renewable energy program, which is primarily wind-based, as a transportation fuel.

Our Mayor, Will Wynn, now proudly tells people that in Austin we intend to substitute West Texas wind for Middle Eastern oil. And the fueling infrastructure is already in place. In fact, we have an alternative vehicle fueling station in this hearing room today, the ordinary electric wall socket.

Our Mayor and Council launched Plug In Austin last August. The city, county, chamber of commerce, and local environmentalists joined together to kick off the campaign. Austin Energy, the City of Austin's public utility, is setting aside a million dollars in rebates for the first plug in hybrids in our service area. And we came up with the idea of "soft" fleet orders, asking our partners to seriously consider purchasing such vehicles if they became available.

We realized, however, that the automakers were not going to make these vehicles just for Austin, Texas – even though we are the home of the national champion Texas Longhorns.

So our Mayor and Council said to take this campaign to the 50 largest cities in the nation and we launched the Plug In Partners campaign here in Washington four months ago.

Today we are proud to have been joined in this effort by cities such as Chicago, Los Angeles, Phoenix, Philadelphia, Dallas, Fort Worth, Memphis, Denver, Salt Lake City, Kansas City, San Francisco, Seattle, Boston, and many other cities and counties.

Since we are promoting a flexible-fuel plug-in hybrid, the American Corn Growers Association and the Soybean Producers of America have joined the coalition.

Our broad based coalition now has over 200 partners throughout state and local governments, non-profit organizations – including environmental and national security organizations, public and private utilities, and businesses.

We already have “soft” fleet orders for over 5000 vehicles. A complete list of our partners had been provided.

But almost all our partners ask me the same question – where can I get one? And this is one place where I think the proposed legislation will be very helpful. The demonstration program proposed in the legislation will directly address our most pressing need – providing demonstration vehicles to the state and local governments, businesses and other Plug In Partners. We will help in matching the great consumer demand that we are uncovering with the demonstration program proposed in this legislation.

If I were to recommend that anything at all be added to the legislation, it would be consideration of federal fleet commitments. The diversity of federal vehicles would provide a wonderful testing and demonstration platform for this new technology. We would also ask you to encourage the Postal Service to transition their neighborhood delivery vehicles to plug in hybrids and to perhaps provide incentives to the Post Office for that transition. These types of vehicles are perfect for this technology, and it would show everyone in the country what they are.

In conclusion, we believe the proposed legislation is a very important step in addressing the energy crises facing this nation and encourage you to move forward with it. Thank you.